

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

*In the Matter of:*

Unionville Post Office  
Unionville, Iowa 52594

Docket No. A2011-25

**COMMENTS OF UNITED STATES POSTAL SERVICE**  
(September 14, 2011)

On July 21, 2011, the Postal Regulatory Commission received a letter (Petition) seeking review of the Post Office discontinuance affecting the Unionville, Iowa Post Office; that Petition was postmarked July 11, 2011. By means of its *Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d)*, Order No. 767 (July 22, 2011), the Postal Regulatory Commission (PRC or Commission) docketed the Petition as an appeal of the final determination to discontinue the Unionville, Iowa Post Office, assigning PRC Docket No. A2011-25. That Order, at page 5, set September 14, 2011 as the date for filing of the Postal Service answering brief. This pleading responds to that directive.

Neither the Petitioner nor any other customer of the Unionville Post Office filed any documents with the Commission beyond the initial Petition. The Postal Service timely filed the administrative record on August 5, 2011. The designated public representative filed a Reply Brief on August 15, 2011.

The Petition raises only one issue: the effect on the Unionville community. As reflected in the administrative record, the Postal Service gave this issue serious consideration. In addition, consistent with the Postal Service's statutory

obligations and Commission precedent,<sup>1</sup> the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Mitchellville Post Office should be affirmed.

The factual background regarding the Unionville Post Office is not in dispute. Unionville itself is an unincorporated community located in Appanoose County, Iowa. Final Determination (Item 47, p. 7); Item 18 (Form 4920). The Unionville Post Office, an EAS-C level (also referred to as a level 53) office open 22 hours per week, provides retail and delivery service to 42 P.O. Box customers (Items 1 (Authorization to Study); 8 (Postmaster Workload Information), 9 (Work Service Credit Worksheet)) . Retail workload is low, averaging four transactions amounting to five minutes of workload per day. *Id.* Revenue over each of the last three years has been a little under \$8500. (Item 33, Proposal). Nearby Post Offices plus the extension of rural carrier delivery (at an annual cost of a little more than four thousand dollars—Item 17 (Alternate Service worksheet)) will provide regular and effective services to customers. The former postmaster was reassigned in 2006 (Item 18); the temporary, noncareer working in the Unionville Post Office may be terminated upon the discontinuance (although this also implies an interest in finding that employee another position). (Item 33, Proposal). See *also*, Public Representative Reply Brief Statement of Facts at 2-3.

Upon implementation of the final determination, delivery and retail services will be provided by rural route administered by the Moravia Post Office,

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<sup>1</sup> See 39 U.S.C. 404(d)(2)(A).

located nine miles away. Retail services are also available from the Udell Post Office, located seven miles away; the Udell Post Office also have 41 available P.O. Boxes. (Items 18, 33.)

In light of the postmaster vacancy, minimal workload, low office revenue, extension and convenience of rural carrier delivery, diminished need to visit a Post Office and obtain delivered mail, nearby Post Offices, minimal growth in the community, minimal impact upon the community, and the expected financial savings, regular and effective postal services will continue to be provided to the Unionville community upon implementation of the final determination.

Petitioner (Petition at 1), the Commission (Order No. 767 at 1) and the Public Representative (Reply Brief at 3) agree that the Petitioner raises the issue of effect on the Unionville community. The Public Representative characterizes the Postal Service itself as arguing in opposition that it has met all procedural requirements, considered the effects of the discontinuance upon postal services and the community, and addressed all concerns expressed by customers, citing to Item 33 in the administrative record (which consists of the formal Proposal posted for 60 days).<sup>2</sup> The Public Representative then moves on to question the calculation of economic savings (Reply Brief at 5-6), but urges the Commission to affirm the underlying Final Determination (*id.*).

Petitioner makes a straightforward plea for retention of the Unionville Post Office, recalling its presence for the last 70 years. The Postal Service is

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<sup>2</sup> While a formal proposal presents factual findings, it does reflect the sum of efforts to date by which the Postal Service responds to its legal obligations under section 404(d). For the guidance provided to field officials who draft the proposal, see USPS-LR-N2009-1/3 at 25-31 (for the “old” PO-101, which was supplanted by a new version on July 14, 2011).

sympathetic to Petitioner, but it must also recognize its obligation to maintain postal facilities in conformity with reasonable economies of postal operations while maintaining ready access to essential postal services. The Final Determination regarding the Unionville Post Office does just that while conforming with section 404(d) of title 39.

An average of four retail transactions per day amounting to five minutes of workload is not sufficient by itself to justify operation of a retail Post Office for 22 hours per week. See, e.g., Proposal (Item 33) at 2. The Postal Service also recognized Petitioner's primary concern, noting that delivery and retail services can be provided by a rural carrier to a delivery receptacle closer to customers' residences (*id.* at 3) which affords up to 24 hour access to mail (*id.* at 7. Moreover, if a customer suffers from physical handicaps that make mail access more difficult, hardship delivery is also available. *Id.* at 3. The Postal Service also examined how best to provide regular and effective services to the community, the impact upon the community's postal and nonpostal needs, the impact upon the community itself, the impact upon postal employees both career and non-career, how nonpostal services could be provided absent the Unionville Post Office, and the financial consequences of a discontinuance. The Postal Service recognizes that the noncareer employee now serving as OIC in the office "may" lose employment, implying that postal officials have some hope that another position can be found. As the Final Determination reflects, discontinuance of the Unionville Post Office entails both advantages and disadvantages. Final Determination (Item 47 at 5-6).

Replacement services are available through the gaining (administrative) EAS-16 Moravia Post Office located 9 miles away, the Udell Post Office seven miles away, and the extension of rural carrier delivery service. Many customers will accordingly see a qualitative increase in their access to postal services.

The Postal Service discontinuance study of the Unionville Post Office used the usual mechanisms for transparency and feedback. A Dear Customer letter accompanying a questionnaire explained to customers why the Postal Service was exploring a possible discontinuance, identified alternate means of accessing postal retail and delivery services, scheduled a community meeting, and solicited customer feedback. Of 42 distributed, 16 were completed and returned. Thirty five customers attended the community meeting. Via questionnaires and at the community meeting various concerns were expressed. The Postal Service responded to those who responded via questionnaire via letter and via the posting of a formal Proposal to discontinue Unionville Post Office. The formal proposal (Item 33) was posted at the Unionville Post Office, Moravia Post Office and the Udell Post Office from March 21 through May 22, 2011. As is commonly the case when the Postal Service succeeds in explaining to customers what its plans for discontinuance are questionnaires, community meeting and correspondence, after soliciting, considering and responding to customer concerns, no formal comments on the proposal were received. (Item 38, Memo to the Record – no comments received.) On June 10, Vice-President Dean Granholm signed the Final Determination, which was posted four days later giving rise to Petitioner's letter to the Commission. The Final Determination cited

the vacancy in the postmaster position, regular and effective service provided by a rural carrier, low office workload, low retail transactions, the absence of permit mailers or postage meter customers, and the ongoing financial savings when concluding that the advantages of the discontinuance outweighed the disadvantages. (Item 47 at 9.)

The Public Representative questions the calculation of economic savings, focusing upon the difference between a postmaster's salary (\$18,777) and that of the noncareer postmaster relief OIC now working in the office (\$14,071). Reply Brief at 5. While that observation has merit, the point is that one career slot is being eliminated. If that slot were filled in accordance with its current rating by a career employee, the salary would be as shown for a postmaster. But employee and labor relations are all governed by a complex set of agreements and regulations. In most discontinuance decisions the Postal Service values positions slated for possible elimination by the expense that would be necessary were a career employee assigned, in accordance with those agreements and regulations. This is a reasonable valuation by the Postal Service that constitutes an appropriate way of standardizing the valuation of positions. Hence while the Public Representative raises a reasonable question, the Postal Service approach is both defensible and reasonable; moreover it is efficient while adding comparability across discontinuance studies.

In any event, thanks partially to the Commission's suggestions in PRC Docket N2009-1 (SBOC), the means by which financial savings are calculated were changed in the recent update to Handbook PO-101 (and CSDC), as the

Commission explored last week through the testimony and oral cross-examination of witnesses Boldt and Granholm( PRC Docket N2011-1). Hence in the near future, those calculations will be presented in the same terms as Finance in the Postal Service evaluates employee and other costs.

The Commission should affirm the Final Determination to Close the Unionville, IA Post Office and Establish Service by Rural Route Service.

Respectfully submitted,

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